

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 68** SLS 25RS 317

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 16, 2025	8:04 PM	Author: CONNICK
Dept./Agy.: Insurance		Analyst: Anthony Shamis
Subject: Homeowner's Insurance Transparency Act		

INSURANCE DEPARTMENT OR +\$91,520 SG EX See Note
Establishes the Homeowners' Insurance Transparency Act. (1/1/26)

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Proposed law establishes the Homeowner's Insurance Transparency Act, which requires homeowner's insurance companies to disclose profits or losses of affiliated entities that may impact policyholder premiums.

Proposed law requires the Louisiana Department of Insurance (LDI) to ensure that all required disclosures are made publicly available on its website.

Proposed law provides for suspension of a homeowner's insurance company's ability to issue new policies until required disclosures are filed with LDI. A fine of \$10,000 is assessed for the first offense and \$25,000 for second and subsequent offenses.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$91,520	\$0	\$0	\$0	\$0	\$91,520
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$91,520	\$0	\$0	\$0	\$0	\$91,520

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed law is anticipated to result in a one-time IT cost of \$91,520 in Self-Generated expenditures to set up a publicly accessible database for every homeowners' insurance company to submit their annual reports, as required by the Homeowners' Insurance Transparency Act.

LDI reports the IT costs to develop the online portal will be performed by an applications development contractor through a professional services contract (832 X \$110 blended average rate = \$91,520). LDI reports that the projected costs associated with the proposed law will be performed using existing Self-Generated Revenues appropriated within the LDI budget.

REVENUE EXPLANATION

Proposed law is anticipated to increase SGR revenue in LDI by an indeterminable amount. Proposed law allows LDI to charge fines to homeowners' insurance companies that are not compliant with filing requirements established by this legislation. Proposed law authorizes LDI to assess fines, not to exceed \$10,000 for the first offense, and \$25,000 for the second and subsequent offenses. The number of homeowners' insurance companies that will not comply with annual filing requirements is unknown, so a revenue projection cannot be provided at this time.

Senate

Dual Referral Rules

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

- 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer